P 100817Z SEP 08 FM AIT TAIPEI TO USDOC WASHDC PRIORITY INFO SECSTATE WASHDC 9923 AMCONSUL HONG KONG

UNCLAS AIT TAIPEI 001341

USDOC FOR 532/OEA/L.HINES/G.CARDAK
USDOC FOR 3121/USFCS/OIO/EAP/ADESARRAN
USDOC FOR 3132/USFCS/OIO/EAP/REGIONAL DIRECTOR
USDOC FOR 4430/ITA/MAC/WGOLIKE/LDICKERSON
STATE FOR EB/ESP
HONG KONG FOR ICE ATTACHE

SIPDIS

E.O. 12958: N/A

TAGS: <u>BEXP</u> <u>ETRD</u> <u>ETTC</u> <u>TW</u>

SUBJECT: PSV: CHUNG SHAN INSTITUTE OF SCIENCE AND TECHNOLOGY

REF: USDOC 02395

- 11. COMMERCIAL OFFICER ERIC CROWLEY, FN FRANCES LI, AND EXBS ADVISOR MI-YONG KIM OF THE ECONOMIC SECTION VISITED THE CHUNG SHAN INSTITUTE OF SCIENCE AND TECHNOLOGY (CSIST) AT THE ADDRESS GIVEN AND MET WITH DIRECTOR BOR-RONG SONG OF PROCUREMENT AND CONSTRUCTION SERVICE DIVISION AND PROJECT DIRECTOR JIN-CHUN HUANG, TO CONDUCT A POST-SHIPMENT VERIFICATION ON AUGUST 15, 2008.
- 12. THE CSIST, ESTABLISHED IN 1968, IS THE PRIMARY RESEARCH AND DEVELOPMENT INSTITUTE OF THE MINISTRY OF NATIONAL DEFENSE (MND). THE CSIST IS ADMINISTERED UNDER THE ARMAMENTS BUREAU OF THE MND AND IS DIVIDED INTO SIX RESEARCH DIVISIONS AND FOUR CENTERS.
- 13. BECAUSE CSIST HANDLES MUCH OF TAIWAN'S SENSITIVE MILITARY RESEARCH, GAINING ACCESS TO THE SITE HAS BEEN CUMBERSOME AND TOOK ABOUT THREE MONTHS TO COMPLETE THEIR REQUIRED SECURITY CHECK. ONCE CS STAFF WERE GRANTED SECURITY CLEARANCE, CSIST WAS OPEN AND COOPERATIVE. CS TAIPEI EXPECTS A SMOOTHER AND FASTER PROCESS IN THE FUTURE.
- 14. CSIST SAID THAT THEY WERE NOTIFIED BY THE US FIRM'S LOCAL IMPORTER THAT THE PRODUCT IN QUESTION WAS A CONTROLLED ITEM AND THAT THEY ARE FAMILIAR WITH THE RESTRICTIONS RELATED TO THE HANDLING OF SUCH CONTROLLED TECHNOLOGY. CSIST SAID THAT THE CONTROLLED ITEM, SRAM MEMORY ARRAY, IS USED FOR SIGNAL PROCESSING IN GPS SYSTEMS, BUT THAT THEY HAVE NOT USED IT YET. CS TAIWAN STAFF PHYSICALLY INSPECTED THE CONTROLLED ITEM. HOWEVER, WHEN COMPARING THE MODEL AND SERIAL NUMBERS AND ECCN NUMBER BETWEEN THE REF CABLE AND SUPPORTING DOCUMENTS INCLUDING EXPORT LICENSE D379716, CS TAIWAN FOUND THE FOLLOWING DISCREPANCIES:

REF CABLE:

- -- MODEL AND SERIAL NUMBERS: AS8SLC512K32QL AND AS8S12BK32QL-1
- -- ECCN NUMBER: 3AOOL

SUPPORTING DOCUMENTS:

- -- MODEL AND SERIAL NUMBERS: AS8SLC512K32Q1 AND AS8S128K32Q1
- -- ECCN NUMBER: 3A001
- 15. BASED ON CS TAIWAN'S SITE VISIT, CSIST APPEARS TO BE A BONA FIDE AND REPUTABLE ORGANIZATION IN TAIWAN. CS TAIWAN'S VISIT DISCLOSED NO ADVERSE INFORMATION ABOUT THE ORGANIZATION OR ITS SUITABILITY TO RECEIVE SENSITIVE U.S. PRODUCTS.

YOUNG